

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Tuesday, July 20, 2004, the following members were present:

Bob Rowe, Chairman
Thomas J. Schneider, Vice Chairman
Matt Brainard, Commissioner
Greg Jergeson, Commissioner
Jay Stovall, Commissioner

APPEARANCE

Scott Fabel
Utility Division

(264) In the matter of Citizens Telecommunications Company of Montana N2004.7.102: On June 30, 2004, Citizens filed advice letter no. MT-04-04 special promotion. The purpose of this filing is to introduce a promotional offer beginning August 2, 2004, and continuing through October 30, 2004 where technically available in the serving wire centers. During the promotional period, existing and new residential customers who order an additional residential access line, as a package or individually will receive a \$100.00 one-time credit on their first month's bill. If the customer does not subscribe to the service for at least 12 continuous months, a subsequent reversing charge will apply, equal to the \$100.00 one-time installation credit.

Commissioner Stovall moved to approve the promotional offer. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Wayne Budt, Administrator
Transportation/ Centralized Services Division

(265) In the matter of approval of Commission minutes for the week of July 12, 2004:

Commissioner Schneider moved to approve the minutes for the week of July 12, 2004. Commissioner Jergeson seconded the motion, which passed unanimously.

APPEARANCE

Martin Jacobson, Kim Moran
Legal Division/ Utility Division

(266) In the matter of Ronan Telephone Company and Hot Springs Telephone D2003.1.8: motion for concurrent hearings:

Commissioner Schneider moved to deny the motion for concurrent hearings. Commissioner

Jergeson seconded the motion, which passed unanimously.

Commissioner Schneider moved to direct staff to begin to establish a public hearing in the matter of Ronan and Hot Springs EAS application and establish a hearing date for public hearings in early September. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Martin Jacobson, Mike Lee
Legal Division/ Utility Division

(267) In the matter of 3 Rivers PCS D2003.10.156 - application for ETC designation:

Commissioner Schneider moved to approve the protective order with the two restrictions described by staff, i.e., USAC information to the extent it is not disclosed by USAS; and the standard provision that this protective order is subject to PSC review of existing PSC rules and may be modified. Commissioner Stovall seconded the motion, which passed unanimously.

Commissioner Jergeson moved to treat obligations filed by Three Rivers Wireless as being timely filed; and to sustain objections by 3 Rivers Wireless data requests concerning 3 Rivers Cooperative status as separate legal entities. Commissioner Brainard seconded the motion, which passed unanimously.

Commissioner Jergeson moved to overrule the objection to PSC data request 11A.
Commissioner Schneider seconded the motion, which passed unanimously.

Commissioner Jergeson moved to deny the motion to compel a response in data request 13A based on the additional information that was provided. Commissioner Schneider seconded the motion, which passed unanimously.

Commissioner Jergeson moved to adopt staff recommendations on the discovery issues outstanding at PSC, MITS, and MTA. Commissioner Schneider seconded the motion, which passed unanimously.

APPEARANCE

Robin McHugh, Will Rosquist
Legal Division/ Utility Division

(268) In the matter of NorthWestern Energy Electricity Default Supply Plan Filing D2004.1.15:

Commissioner Schneider moved to direct NorthWestern Energy to refile their motion for protective order with associated support under current PSC rules to justify continued protection for documents at issue in Docket D2001.10.144 within 20 days. Commissioner Jergeson seconded the motion, which passed unanimously.

APPEARANCE

Robin McHugh, Will Rosquist
Legal Division/ Utility Division

(269) In the matter of NorthWestern Energy annual default supply cost tracker D2004.6.90:

Commissioner Jergeson moved that returning customers constitute a group, impose a 2.7 million surcharge on the group and track the amount for an opportunity for tune-up in post hearing. Commissioner Rowe seconded the motion, which failed 2-3. Commissioners' Brainard, Schneider, and Stovall voted nay. Commissioners' Jergeson and Rowe voted aye.

Commissioner Schneider made a substitute motion to adopt interim rates that include the current forecast of electricity supply costs to be applied to all customers under the tracker. Commissioner Stovall seconded the motion.

Commissioner Schneider amended his motion to adopt interim rates that include a portion of supply costs of 2.7 million but provide no surcharge on returning customers; surcharges would be applied to the general body of customers. Returning customers may be tracked for possible implementation of a surcharge after a complete record in the case. Commissioner Stovall seconded the motion, which passed 3-2. Commissioners' Schneider, Stovall and Brainard voted aye. Commissioners' Rowe and Jergeson voted nay.

APPEARANCE

Dave Burchett, Joel Tierney
Utility Division

(270) In the matter of Rainbow Gas Company Application for Natural Gas Supplier License N2204.6.97:

Commissioner Stovall moved to approve the license but limited to industrial commercial on an interruptible basis. Commissioner Brainard seconded the motion, which passed unanimously.

APPEARANCE

Martin Jacobson, Wayne Budt, Kate Whitney, Dave Burchett
Legal Division/Transportation Division/Utility Division

(271) In the matter of multiple rulemakings—energy, t-com, transportation L-97.6.4-RUL, et al.:

Commissioner Schneider moved to issue a notice of proposed rulemaking concerning repeal of PSC municipal utility rules. Commissioner Jergeson seconded the motion, which passed unanimously.

Commissioner Jergeson moved to issue a notice of proposed rulemaking concerning utility implementation of rate changes. Commissioner Schneider seconded the motion, which passed unanimously.

Commissioner Schneider moved to issue a notice of proposed rulemaking concerning motor carrier fees. Commissioner Stovall seconded the motion, which passed unanimously.

Commissioner Schneider moved to issue a proposed notice for new electric utility service standards. Commissioner Stovall seconded the motion, which passed unanimously.

APPEARANCE

Robin McHugh, Vicki Duncan
Legal Division/ Utility Division

(272) In the matter of Rulemaking- amending two rules regarding guarantees in lieu of deposits:

Commissioner Jergeson moved to issue the notice of proposed rulemaking modifications concerning guarantees in lieu of deposits. Commissioner Schneider seconded the motion, which passed unanimously.

There being no further business to come before the Commission the meeting was adjourned.

BOB ROWE, Chairman

THOMAS J. SCHNEIDER, Vice Chairman

MATT BRAINARD, Commissioner

GREG JERGESON, Commissioner

JAY STOVALL, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)

At the meeting of the Public Service Commission of the State of Montana held at the Commission's Offices in Helena, Montana, on Wednesday, July 21, 2004, the following members were present:

Bob Rowe, Chairman
Thomas J. Schneider, Vice Chairman
Matt Brainard, Commissioner
Greg Jergeson, Commissioner
Jay Stovall, Commissioner

APPEARANCE

Robin McHugh, Al Brogan, Kate Whitney, Eric Eck
Legal Division/ Utility Division

(273) In the matter of NorthWestern Energy Bankruptcy:

Commissioner Schneider moved to authorize filing a motion in bankruptcy court to preserve PSC rulemaking authority as to compensation and to oppose change in control provisions, including but not limited as not appropriate for bankruptcy court. Commissioner Stovall seconded the motion, which passed unanimously.

There being no further business to come before the Commission the meeting was adjourned.

BOB ROWE, Chairman

THOMAS J. SCHNEIDER, Vice Chairman

MATT BRAINARD, Commissioner

GREG JERGESON, Commissioner

JAY STOVALL, Commissioner

ATTEST:

Connie Jones
Commission Secretary

(SEAL)